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6
7 UNITED STATES DISTRICT COURT
8 NORTHERN DISTRICT OF CALIFORNIA
9

10 CAROL LOPEZ,

11 Plaintiff,

12 v.

13 BLACK KNIGHT FINANCIAL
14 SERVICES, INC., a Corporation,
15 SERVICELINK NLS, LLC, a Limited
16 Liability Corporation, and FIDELITY
17 NATIONAL FINANCIAL, INC., a
Corporation, and DOES 1 through 10,
inclusive,

18 Defendants.
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CASE NO.

**PLAINTIFF CAROL LOPEZ'S
COMPLAINT FOR DAMAGES**

- (1) VIOLATION OF THE DODD-
FRANK ACT;
(2) VIOLATION OF LABOR CODE
SECTION 1102.5; and
(3) VIOLATION OF BUSINESS AND
PROFESSIONS CODE SECTION
17200, *et. seq.*

JURY TRIAL DEMANDED

1 Plaintiff CAROL LOPEZ complains against BLACK KNIGHT FINANCIAL
2 SERVICES, INC., a Corporation, SERVICELINK NLS, LLC, a Limited Liability
3 Corporation, FIDELITY NATIONAL FINANCIAL, INC., a Corporation, inclusive, and
4 demands a trial by jury of all issues and causes of action alleged.

5 **PARTIES AND JURISDICTION**

6 1. At all pertinent times mentioned in this Complaint, Plaintiff CAROL
7 LOPEZ (“Plaintiff”) was a resident of the State of California, in the County of Riverside.
8 Plaintiff worked for Defendants at their location in Orange County.

9 2. Defendant BLACK KNIGHT FINANCIAL SERVICES, INC (“BLACK
10 KNIGHT”) is a financial services company and the nation’s leading provider of
11 integrated data, servicing and technology solutions to mortgage lenders. BLACK
12 KNIGHT is a publicly traded company, which trades under the ticker symbol BKFS on
13 the New York Stock Exchange. BLACK KNIGHT is incorporated under the laws of the
14 State of Delaware, and is headquartered in the State of Florida. Thus, BLACK KNIGHT
15 is a citizen of the States of Delaware and Florida.

16 3. Defendant SERVICELINK NLS, LLC (“SERVICELINK”) is a subsidiary
17 of BLACK KNIGHT. SERVICELINK performs property valuations and settlement
18 services in all 50 states, plus the District of Columbia. SERVICELINK is incorporated
19 under the laws of the State of Delaware, and is headquartered in the State of
20 Pennsylvania. Thus, SERVICELINK is a citizen of the States of Delaware and
21 Pennsylvania.

22 4. Defendant FIDELITY NATIONAL FINANCIAL, INC., (“Fidelity”) is the
23 nation’s largest provider of title insurance and related financial services, and is the parent
24 corporation of both BLACK KNIGHT and SERVICELINK. FIDELITY is a publicly
25 traded company with the ticker symbol “FNFV” on the New York Stock Exchange.
26 FIDELITY is incorporated under the laws of the State of Illinois, and is headquartered in
27 the State of Florida. Thus, FIDELITY is a citizen of the States of Illinois and Florida.

1 5. Defendants BLACK KNIGHT, SERVICELINK, and FIDELITY shall
2 hereinafter collectively be referred to as “Defendants.”

3 6. Jurisdiction is proper in this Court pursuant to 28 U.S.C. § 1331, as
4 Plaintiff is bringing this action pursuant to the Federal Dodd-Frank Act, 15 U.S.C. §
5 78u-6(h)(1)(A).

6 7. Jurisdiction is further proper in this Court pursuant to 28 U.S.C. § 1332, in
7 that Plaintiff is a citizen of the State of California, and complete diversity exists among
8 Plaintiff and the Defendants in this action.

9 8. At all times mentioned in the causes of action alleged in this Complaint,
10 into which this paragraph is incorporated by reference, each and every defendant was the
11 agent or employee of each and every other defendant. In engaging in the conduct alleged
12 in the causes of action into which this paragraph is incorporated by reference, each and
13 every defendant was acting within the course and scope of this agency or employment
14 and was acting with the consent, permission, and authorization of each of the remaining
15 defendants. All actions of each defendant alleged in the causes of action into which this
16 paragraph is incorporated by reference were ratified and approved by the officers or
17 managing agents of every other defendant.

18 9. Venue is proper in the Northern District because BLACK KNIGHT,
19 SERVICE LINK, and FIDELITY each maintain an office within this jurisdiction.

20 **FACTS COMMON TO MORE THAN ONE CAUSE OF ACTION**

21 10. Plaintiff Carol Lopez (“Plaintiff”) was hired by SERVICELINK NLS, LLC
22 (formerly LPS Management, LLC) as a title coordinator and assistant to the top producer
23 at its office located in 5 Peters Canyon Road in Irvine, California, on August 26, 2010. In
24 2012, she was hired into the Recording and Auditing Department to handle the recording
25 of out-of-state documents.

26 11. Defendants instructed employees in the Record and Auditing Department to
27 make corrections to notarized information although they were not notary. Plaintiff and
28 Paula Brumfield approached their managers to ask them what the consequences were for

1 committing fraud if the Department of Insurance discovered that the original closing
2 documents were not actually recorded at the closing of escrow. Ms. Brumfield was told to
3 “shut up” if she wanted to keep her job. Management told Plaintiff to not worry and “just
4 do your job.”

5 12. After their complaint, Supervisor Angel Deleon and Manager Jason Young
6 began to treat Plaintiff differently from other employees. Plaintiff was being increasingly
7 left out of procedures and changes. She was never included in meetings despite her many
8 requests to be included.

9 13. On September 18, 2013, Plaintiff called the ethics hotline number provided
10 in her employee handbook to report harassment and the fact that she was being asked to
11 take actions she felt were fraudulent.

12 14. Following Plaintiff’s report to the ethics hotline, Mr. Deleon and Mr.
13 Young’s hostile attitude and treatment intensified. Their harassment caused Plaintiff to
14 develop stress and anxiety. She was unable to sleep, eat, and function normally as a result
15 of the stress. Her psychiatrist recommended that she take a leave of absence from work
16 because of the stress she was enduring after reporting and refusing to engage in the
17 fraudulent conduct.

18 15. On October 9, 2013, Plaintiff began her FMLA leave due to stress caused
19 by retaliation towards her for reporting illegal, unethical, and fraudulent conduct by
20 Defendants. However, due to the delay in paperwork filed by Human Resources, she was
21 denied leave by FMLA in October 9, 2013 through October 17, 2013 and November 6,
22 2013 and November 17, 2013. Therefore, her FMLA and CFRA leave did not begin until
23 October 18, 2013 and would not become exhausted until January 15, 2014.

24 16. During her leave of absence, Defendants told Plaintiff that she would be
25 terminated if she did not return to work by January 1, 2014. Plaintiff responded that her
26 doctor has placed her on leave until February 23, 2014.

27 17. On January 15, 2014, Defendants terminated Plaintiff’s employment,
28 purportedly because she failed to return to work after her exhaustion of her FMLA

entitlement hours on January 9, 2014. Plaintiff believes Defendants' stated reason for Plaintiff's termination to be pretextual in nature, and a cover up for the real reason, which is retaliation for reporting illegal conduct. Moreover, according to a confirmation letter from FMLA, Plaintiff had until January 15, 2014, before her FMLA and CFRA was exhausted. In the "Notice to Employee of Change in Relationship" form, Defendants incorrectly stated that Plaintiff voluntarily quit.

18. Paula Brumfield, the other employee who, along with Plaintiff, made complaints of fraudulent activity and refused to engage in illegal conduct, was also terminated from Defendants' employ.

FIRST CAUSE OF ACTION
VIOLATION OF ANTI-RETALIATION WHISTLEBLOWER PROVISIONS OF
THE DODD-FRANK ACT
AGAINST ALL DEFENDANTS

19. Plaintiff incorporates all preceding paragraphs by reference, as though fully stated herein.

20. The Federal Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) directs that "no employer may discharge, demote, suspend, threaten, harass, directly or indirectly, or in any other manner discriminate against, a whistleblower in the terms and conditions of employment because of" certain types of protected conduct. (15 U.S.C. § 78u-6(h)(1)(A)).

21. An "employer" encompasses both entities, such as Defendants, and individuals, including Plaintiff's supervisors. Individual liability exists for violations of the Dodd-Frank anti-retaliation provisions. (*See, e.g., Wadler v. BioRad Laboratories, Inc.* 15-CV-02356-JCS (Oct. 23, 2015)). Accordingly, to the extent any of the DOE Defendants named herein are individuals, they are also personally liable for actions taken which violated the Dodd-Frank Act.

22. The Dodd-Frank anti-retaliation provisions apply to individuals such as Plaintiffs, who make internal company reports of conduct which violates SEC

1 regulations, but do not contact the SEC directly. (15 U.S.C. section 78u-6(h)(1)(A)(iii);
2 17 C.F.R. section 240.21F-2(b)(1)).

3 23. Plaintiff engaged in protected activity by making reports of what he
4 reasonably believed to be illegal and fraudulent conduct to KOHL'S, through its agents
5 and employees, during his employment.

6 24. Plaintiff further engaged in protected activity by making external reports of
7 what he reasonably believed to be illegal and fraudulent conduct to multiple Federal
8 agencies, as described above.

9 25. Defendants discharged Plaintiff's employment and further discriminated
10 and retaliated against Plaintiff after he s made oral and/or written complaints regarding
11 what he reasonably believed to be illegal or unlawful conduct in violation of Federal
12 statutes, rules and regulations.

13 26. Plaintiffs is informed and believed, and thereon alleges that because of his
14 making complaints regarding illegal conduct to Defendants, Plaintiff suffered adverse
15 employment actions, including but not limited to discipline, and ultimately, wrongful
16 discharge from his employment.

17 27. Plaintiff further continues to suffer post-termination retaliation from
18 Defendants, in the form of poor references and black-listing from the aerospace industry.

19 28. As a direct and proximate result of the actions of Defendants, Plaintiff has
20 suffered and will continue to suffer pain and mental anguish and emotional distress.

21 29. Plaintiff has further suffered and will continue to suffer a loss of earnings
22 and other employment benefits, whereby Plaintiff is entitled to general compensatory
23 damages in amounts to be proven at trial.

24 30. Defendants' actions constituted a willful violation of the above-mentioned
25 federal laws and regulations. As a direct result, Plaintiff has suffered and continues to
26 suffer substantial losses related to the loss of wages and is entitled to recover costs and
27 expenses and attorney's fees in seeking to compel Defendants to fully perform its
28 obligations under state and/or federal law, in amounts according to proof at time of trial.

1 31. The conduct of Defendants described herein above was outrageous and was
2 executed with malice, fraud and oppression, and with conscious disregard for Plaintiff's
3 rights, and further, with the intent, design and purpose of injuring Plaintiff.

4 32. Defendants, through its officers, managing agents, employees and/or its
5 supervisors, authorized, condoned and/or ratified the unlawful conduct described herein
6 above. By reason thereof, Plaintiff is entitled to an award of punitive damages in an
7 amount according to proof at the time of trial.

8 33. Defendants committed the acts alleged herein by acting knowingly and
9 willfully, with the wrongful and illegal deliberate intention of injuring Plaintiff, from
10 improper motives amounting to malice, and in conscious disregard of Plaintiff's rights.
11 Plaintiff is thus entitled to recover nominal, actual, compensatory, punitive, and
12 exemplary damages in amounts according to proof at time of trial, in addition to any
13 other remedies and damages allowable by law.

14 **SECOND CAUSE OF ACTION**
15 **RETALIATION IN VIOLATION OF CALIFORNIA LABOR CODE § 1102.5**
16 **AGAINST ALL DEFENDANTS**

17 34. Plaintiff incorporates all preceding paragraphs by reference, as though fully
18 stated herein.

19 35. Labor Code section 1102.5 prohibits employers from discharging,
20 constructively discharging, retaliating or in any manner discriminating against any
21 employee for making any oral or written complaint regarding what an employee
22 reasonably believes to be unlawful or illegal conduct to a governmental agency or to their
23 employer.

24 36. Defendants discharged Plaintiff's employment and further discriminated
25 and retaliated against Plaintiff after Plaintiff made oral and/or written complaints
26 regarding what she reasonably believed to be illegal or unlawful conduct in violation of
27 state and federal statutes, rules and regulations. Plaintiff made these complaints to her
28 employer, by and through its agents and employees.

1 37. Plaintiff is informed and believed, and thereon alleges that because of her
2 making complaints regarding illegal conduct to Defendants, her employers, and to a
3 governmental agency, Plaintiff was discharged from her employment and/or otherwise
4 discriminated or retaliated against by Defendants after she had made complaints about
5 illegal conduct.

6 38. As a direct and proximate result of the actions of Defendants, Plaintiff has
7 suffered and will continue to suffer pain and mental anguish and emotional distress.

8 39. Plaintiff has further suffered and will continue to suffer a loss of earnings
9 and other employment benefits, whereby Plaintiff is entitled to general compensatory
10 damages in amounts to be proven at trial.

11 40. Defendants' actions constituted a willful violation of the above-mentioned
12 federal laws and regulations. As a direct result, Plaintiff has suffered and continues to
13 suffer substantial losses related to the loss of wages and is entitled to recover costs and
14 expenses and attorney's fees in seeking to compel Defendants to fully perform its
15 obligations under state and/or federal law, in amounts according to proof at time of trial.

16 41. The conduct of Defendants described herein above was outrageous and was
17 executed with malice, fraud and oppression, and with conscious disregard for Plaintiff's
18 rights, and further, with the intent, design and purpose of injuring Plaintiff.

19 42. Defendants, through its officers, managing agents, employees and/or its
20 supervisors, authorized, condoned and/or ratified the unlawful conduct described herein
21 above. By reason thereof, Plaintiff is entitled to an award of punitive damages in an
22 amount according to proof at the time of trial.

23 43. Defendants committed the acts alleged herein by acting knowingly and
24 willfully, with the wrongful and illegal deliberate intention of injuring Plaintiff, from
25 improper motives amounting to malice, and in conscious disregard of Plaintiff's rights.
26 Plaintiff is thus entitled to recover nominal, actual, compensatory, punitive, and
27 exemplary damages in amounts according to proof at time of trial, in addition to any
28 other remedies and damages allowable by law.

1 44. As a proximate result of the actions and conduct described in the
2 paragraphs above, which constitute violations of Labor Code section 1102.5, Plaintiff has
3 been damaged in an amount according to proof at the time of trial.

4 45. WHEREFORE, Plaintiff prays for relief as stated in pertinent part
5 hereinafter.

6 **THIRD CAUSE OF ACTION**
7 **UNFAIR COMPETITION IN VIOLATION OF**
8 **CALIFORNIA BUSINESS AND PROFESSIONS CODE § 17200 *ET SEQ.***
9 **AGAINST ALL DEFENDANTS**

10 46. Plaintiff incorporates by reference as though fully set forth herein the
11 preceding paragraphs of this Complaint.

12 47. The California Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et*
13 *seq.* (“UCL”), defines unfair competition to include any “unlawful,” “unfair,” or
14 “fraudulent” business act or practice. Cal. Bus. & Prof. Code § 17200.

15 48. Defendants’ conduct, as alleged above constitutes unlawful, unfair and/or
16 fraudulent business practices for the reasons set forth below, without limitation, violation
17 of the California Labor Code and violations of the California Government Code.

18 49. Pursuant to California Business and Professions Code § 17203, Plaintiff
19 seeks declaratory and injunctive relief for Defendant’s unlawful, unfair and fraudulent
20 conduct and to recover restitution.

21 50. Pursuant to California Code of Civil Procedure § 1021.5, Plaintiff is
22 entitled to recover reasonable attorneys’ fees, costs, and expenses incurred in bringing
23 this action.

24 **PRAYER FOR RELIEF**

25 Plaintiff prays for judgment against Defendants as follows:

26 1. Compensatory damages, including economic and non-economic damages
27 included but not limited to emotional distress damages and lost wages and benefits, in a
28 sum according to proof;

2. Punitive damages, in a sum according to proof;

3. Interest on judgment, including but not limited to prejudgment and post-judgment interest, at the legal rate, pursuant to the Civil Code;

4. Recovery of all reasonable attorneys' fees, expert witness fees, litigation expenses and costs incurred, pursuant to Section 1021.5 of the Code of Civil Procedure, and Section 12965 of the Government Code.

5. An injunction: (1) ordering Defendants to cease and desist from engaging in fraudulent conduct, including but not limited to changing already notarized documents; (2) ordering Defendants to provide mandatory and meaningful training to employees regarding compliance with all securities regulations; and (3) ordering Defendants to reinstate Plaintiff with full compensation for the wages, benefits promotions she has lost.

6. For such other and further relief as the court may deem proper.

DATED: January 14, 2017

Respectfully submitted,
THE FIGARI LAW FIRM

/s/ Barbara E. Figari

BARBARA E. FIGARI, ESQ.

DEMAND FOR JURY TRIAL

Plaintiff Carol Lopez herewith demands a jury trial in this action.

DATED: January 14, 2017

Respectfully submitted,
THE FIGARI LAW FIRM

/s/ Barbara E. Figari

BARBARA E. FIGARI, ESQ.